

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re:)	Case No. 12-12020 (MG)
)	
RESIDENTIAL CAPITAL, LLC, <u>et al.</u> ,)	Chapter 11
)	
Debtors.)	Jointly Administered
)	
)	
)	
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**SUPPLEMENTAL AFFIDAVIT OF FRANK SILLMAN IN FURTHER SUPPORT OF
DEBTORS' APPLICATION FOR AN ORDER AUTHORIZING
EMPLOYMENT AND RETENTION OF FORTACE LLC AS
CONSULTANT TO THE DEBTORS *NUNC PRO TUNC* TO MAY 21, 2012**

I, Frank Sillman, under penalty of perjury, declare as follows:

1. I am a co-founder and managing partner of Fortace LLC ("Fortace"), which has its principal office at 444 South Flower Street, Suite 1750, Los Angeles, CA 90071.

2. I submit this affidavit in further support of the application [Docket No. 704] (the "Application")¹ of the above-captioned debtors and debtors in possession (collectively, the "Debtors") for entry of an order authorizing the Debtors to employ and retain Fortace as a consultant and possible expert witness for the Debtors in connection with the above-captioned chapter 11 cases (the "Chapter 11 Cases") pursuant to that certain engagement letter, dated as of May 21, by and between Fortace and Morrison & Foerster LLP (the "Engagement Letter"), a copy of which is attached as Exhibit 3 to the Application. I submit this affidavit in accordance with sections 327(a) and 328 of title 11 of the United States Code, Rule 2014(a) of the Federal Rules of Bankruptcy Procedure, and Rule 2014-1 of the Local Rules for the United States

¹ Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Application.

Bankruptcy Court for the Southern District of New York. This affidavit supplements, and incorporates by reference, my first affidavit in support of the Application (the “Initial Affidavit”), which was filed as Exhibit 2 to the Application. Unless otherwise stated in this affidavit, I have personal knowledge of the matters set forth herein.

3. As set forth in the Initial Affidavit, Fortace provided services to Carpenter Lipps & Leland LLP, as the law firm representing GMAC Mortgage LLC and Residential Capital LLC in connection with litigation with MBIA. *See* Initial Affidavit at ¶ 15. That engagement terminated prior to the Petition Date. Attached as Exhibit 1 is a list of the dates and amounts of payments received by Fortace on account of such services provided to the Debtors during the 90-day period prior to the Petition Date. These payments were made by non-Debtor affiliates on behalf of the Debtors. Fortace was not involved in the ultimate allocation of such payments between the Debtors and such non-Debtor affiliates.

4. The following entities listed on Schedule 2 to the Initial Affidavit accounted for more than 1% of Fortace’s revenue for fiscal year 2011:

Entity	Percentage of FY2011 Revenue
CitiGroup Global Markets	8%
PMI	7%
Metrocities	11%

5. Of these entities, Fortace’s only active engagement is with CitiGroup Global Markets. Fortace does not anticipate that its representation of the Debtors will require it to be adverse to CitiGroup Global Markets or that entity’s affiliates. None of the engagements with the parties listed above was in connection with the Debtors or their bankruptcy cases.

6. As of the Petition Date, Fortace did not hold a retainer provided by or on behalf of the Debtors for fees or expenses related to services rendered in connection with the engagement.

7. In the interest of clarity, the Engagement Letter provides that Fortace will indemnify the Debtors and Morrison & Foerster for certain liabilities imposed or claimed by third parties, subject to the limitations set forth therein. *See* Engagement Letter at § 10. Neither the Debtors nor Morrison & Foerster have a corresponding obligation to indemnify Fortace under the Engagement Letter.

Pursuant to 28 U.S.C. §1746, I declare under the penalty of perjury that the foregoing is true and correct.

Executed on July 18, 2012

FORTACE LLC

By: /s/ Frank Sillman
Frank Sillman
Managing Partner

STATE OF CALIFORNIA)
COUNTY OF LOS ANGELES)

Subscribed and sworn to (or affirmed) before me on this 18th day of July, 2012, by Frank Sillman, who proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Signature: /s/ Andrew Holzbaur

OFFICIAL SEAL
ANDREW HOLZBAUR
Commission # 1927743
Notary Public –California
Marin County
My Commission Expires Mar. 5, 2015

EXHIBIT 1

Payments Received During 90 Days Prior to the Petition Date

Invoice Date	Invoice #	Invoice Amount	Date Payment Received
1/13/2012	011DOC009	\$28,018.50	2/23/2012
2/1/2012	011DOC020	\$29,211.00	2/23/2012
2/16/2012	010DOC010	\$3,422.00	3/16/2012
2/16/2012	011DOC021	\$33,416.50	3/29/2012
3/2/2012	011DOC022	\$44,843.00	3/29/2012
3/21/2012	011DOC023	\$39,779.00	4/19/2012
4/3/2012	011DOC024	\$38,109.50	4/19/2012
3/16/2012	010DOC011	\$1,810.00	4/26/2012
4/19/2012	011DOC025	\$13,743.00	4/26/2012
5/9/2012	011DOC026	\$29,527.50	5/11/2012
5/10/2012	011DOC027	\$36,314.50	5/11/2012
		\$298,194.50	